

FOR RELEASE MAY 9, 1947

+12 YEARS OF RURAL ELECTRIFICATION;

Anniversary Fact Sheet
Rural Electrification Administration
U. S. Department of Agriculture

When rural electrification as a National farm program marks its twelfth anniversary on May 11, the number of U. S. farms electrified will be exceeding 57 percent, according to estimates of the Rural Electrification Administration.

Today it is widely recognized that farmers need electric power and can use it advantageously in production as well as in their homes. The pattern under which associations of farmers can borrow REA loan funds for construction of their own rural electric distribution systems is also well established. Rural electric cooperatives with other REA borrowers--over 1,000 of them altogether--operate over 517,000 miles of line serving 1,723,000 rural consumers in 46 states, Alaska and the Virgin Islands.

In twelve years the number of electrified farms in the United States has grown from 744,000 in 1935 to approximately 3 1/3 million today.

But as Administrator Claude R. Wickard has pointed out, the most difficult part of the job is still ahead. In spite of headway made since 1935, approximately 2 1/2 million farms and at least 2 million more rural schools, churches, small industries and other non-farm establishments still lack electric service. Many of these are in remote or thinly-settled areas which will be hard to reach by means of self-liquidating distribution systems.

Proponents of rural electrification, however, can cite REA borrowers' outstanding repayment record as proof that rural electric cooperatives can operate on a financially sound basis and still serve farms in thin territory. As of January 1, 1947, these borrowers had paid \$126,098,600 in principal and interest to the government, \$20,052,600 of which was in advance payments on principal. Less than one percent of the total amount due was as much as 30 days delinquent.

(REA has approved loans totalling more than one billion dollars. Of this amount, more than \$653,000,000 has already been advanced to borrowers for construction and other authorized costs.)

Also on the encouraging side--and cornerstone in the solid foundation of REA borrowers--is the steady increase in use of electric power for all purposes, both on the farm and in the home. In some States use of electricity on REA-served farms has doubled since 1941.

How many additional farms and rural consumers can be reached by electric power lines during the next 12 months will depend largely on the availability of materials, supplies of which fluctuate sometimes from month to month. At this writing, shortages of several types of materials continue, particularly shortages of wire and transformers, but the shortage of poles has eased. It is hoped, however, that new construction during the next 12 months will substantially exceed the record of calendar 1946 during which time approximately 386,000 farms received service. Of this number, slightly more than half were reached by REA-financed systems.

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